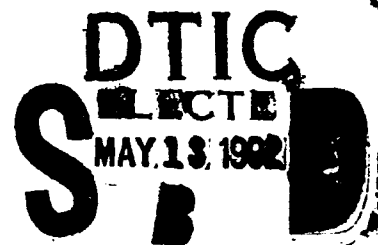


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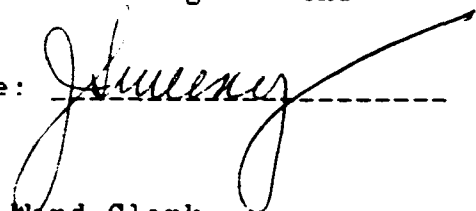
LOGISTIC IMPLICATIONS OF THE NEW MILITARY STRATEGY;
PROBLEMS FOR WESTPAC'S OPERATIONAL COMMANDER

by

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A paper submitted to the Faculty of the Naval War College in partial satisfaction of the requirements of the Department of Operations.

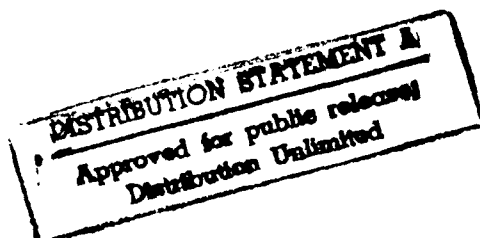
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19 June 1992

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<p>This paper discusses the implications of closing Subic Bay at a time when the new military strategy demands a more responsive logistic support system. The paper identifies specific logistic deficiencies that may negatively impact the Operational Commander's ability to implement and maintain the regional focus required of the new strategy.</p>					
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Abstract of
LOGISTIC IMPLICATIONS OF THE NEW MILITARY STRATEGY:
PROBLEMS FOR WESTPAC'S OPERATIONAL COMMANDER

This paper identifies and discusses logistic problems arising from the developing military strategy. It will identify specific logistic deficiencies that may limit the operational commander's ability to implement, and then carry out operations, under the new strategy. The paper will discuss methods available to the operational logistician that may reduce the impact of these deficiencies. Where no such initiative is available, or where solutions are available, but beyond the level of authority of the operational logistician, such resolutions will be noted. The paper will focus on operations in the Western Pacific (WESTPAC), with emphasis on the effects of the loss of the Navy's largest overseas logistic center, the Naval Facility at Subic Bay.

The decision to move Commander, Task Force 73/75 (CTF 73/75), WESTPAC's Logistics Command, to Singapore is a step in the right direction. By keeping this command in theater, rather than moving the command back to Hawaii, the logistician can establish and maintain what will become an important liaison with the area's logistic infrastructure. In the final analysis, it will be logisticians that must identify and correct shortfalls in storage, transportation, industrial support and other areas, if the commander is to have true freedom of operation.

PREFACE

The reader will note that many of the sources listed in the Bibliography are newspaper, wire service and magazine articles dated within the last 60 days; such is the 'bank' of 'official' data available when researching such a current topic. Augmenting this dearth of 'historical' research is the results of a non-published research paper on WESTPAC logistic management written in October 1991 by this author. Further, several writings of the noted Naval logistician, Henry Eccles, RADM, USN, were also reviewed. Additionally, the author recently completed a three year tour at the Subic facility, where he served in the Planning, Inventory and Transportation Departments of the Naval Supply Depot.

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LOGISTIC IMPLICATIONS OF THE NEW MILITARY STRATEGY;
PROBLEMS FOR WESTPAC'S OPERATIONAL COMMANDER

CHAPTER I

INTRODUCTION

The Change in Focus. 'Although the numbers of US forces stationed overseas will be reduced, the credibility of our capability and intent to respond to crisis will continue to depend on judicious forward basing, deployments of varying durations, and prepositioning of material.'

'...the principal focus of US *operational* (emphasis added) planning is regional crisis response - to include a capability to respond to two concurrent, but staggered regional contingencies.'

Since 1950, the US has exercised a military strategy that required a permanent deployed forward presence designed to contain the aggressive intent of a very powerful adversary. In the Western Pacific (WESTPAC), an area of vast distances, undeveloped industrial support and unreliable and unstable 'friendly governments', implementing this strategy meant developing our own support systems. It is from this requirement that WESTPAC logistics, centering around an unmatched complex at a long used harborage, Subic Bay, was born.

The WESTPAC logistic system served the operational commander well. From Korea, to Viet Nam, to the Indian Ocean and the Persian Gulf, superior logistic support enabled the commander to exercise the full range of operational options available to him.

The developing military strategy reduces that permanent forward presence in recognition of a reduced 'large' threat, and provides in its place, 'the minimum force needed to execute the

strategy, and meet our enduring defense needs".³ Such a strategy envisions a deployed force capable of handling an emergent threat until such time as contingency forces from other areas can reinforce the initial group. Thus, operational readiness has taken on an additional level of emphasis; there will be little 'back up' in theater should combat start. The force must indeed be ready now.

In addition to this regional focus and reduced forward presence, the new military strategy offers reconstitution as a foundation element. While specifically citing capability to create and provide follow-on forces as a national domestic responsibility, such a capability is essential in the WESTPAC theater. Distances from homeport, a potential for conflict and a reduced pool from which to draw reinforcements may not allow the WESTPAC commander time to wait for the reconstituted force.

Making sure the deployed force is ready to handle such a threat, at any point of time in deployment, and that the contingency group can get to the theater rapidly, and in strength, is the function of the logistic organization. Eccles believed such a mission was the *raison d'etre* of logistics; "logistics is the *creation and sustained support of weapons and forces*".⁴ This is an important concept. As we seek to strengthen the weakened logistics system, we must do so in each of its' many elements; supply, transportation, industrial support and other areas.

Unfortunately, the reduction of permanently forward deployed forces, epitomized by the closing of Subic Bay, degrades logistic

capabilities that took 40 years to develop. Whether the remaining, and necessarily evolving logistic system can meet the needs of the deployed and contingent force, in dual scenario combat, and thus provide the operational commander the maximum range of options available is the thrust of this paper.

CHAPTER II

Lost/Degraded Capabilities...and Some New Problems.

"It's not going to be as bad as we thought...We've found that most functions can be disestablished or relocated without significant reconstruction costs." ADM Charles Larson⁵

That 'most functions' previously available to the operational commander will remain available, or are no longer required, reflects the reality of 'doing more with less'. Of concern however, are those capabilities that are no longer available or have been reduced. It is these capabilities that, in their absence, will impair the commander's operational capabilities and flexibility. I consider these lost or degraded capabilities to be three in number:

(a) Industrial Support Capability. The loss of Naval Ship Repair Facility, (SRF) Subic Bay will reduce the operational readiness of the force in several ways.

Perhaps the most significant degradation to industrial support is the loss of personnel experience inherent in the closing of SRF Subic Bay. Though by no means recognized for time efficiency, the labor force at SRF was a competent, multi-capable group of seasoned individuals. Years of dealing with mechanical, structural, and electrical problems unique to military vessels was a 'force enhancer' in terms of material readiness and reconstitution. Additionally, years of performing TYCOM-deferred Planned Maintenance System actions as a cost reduction initiative provided a level of knowledge that is an order of magnitude

greater than any commercial yard can bring to this arena.

Repair of equipments damaged in transit to the theater was a regular activity at Subic Bay. As units stopped to refuel and re-provision, SRF was able to provide a 'last-stop' repair capability prior to departure for IO/Persian Gulf duties.

Also significant in this sphere is a reduction in the ability to accomplish major overhaul and catastrophic/battle damage repair. During 1989 - 1990, SRF Subic conducted major repairs to the Engineering spaces of an AFS after a large fire. This facility also performed repairs to a DDG after a collision with a merchantman nearly cut the DDG's stern off. The multiple large drydock capability at SRF allowed these evolutions to be conducted with minimum interruption to 'regular business'. As an example, concurrent with these events, SRF conducted a reactivation overhaul of ex-HECTOR (AR 9) for transfer to Pakistan.

Access to repair facilities for hull, firemain pumping and weapons repair will require that a secure area be available for the temporary storage of various types of ordnance from ship's magazines. The Naval Magazine at Subic Bay provided such facilities for afloat units requiring that service; these facilities may not be available at a commercial yard in the future. Such a degradation could restrict the commander's repair and reconstitution capability. While consideration is being given to deploying a tender vessel, such a unit is unlikely to have such space available either.

The loss of Naval Air Station (NAS) Cubi Point degrades aviation industrial capability. Managing an Air Intermediate Maintenance Department (AIMD), NAS Cubi provided significant jet engine repair capability to an aviation dependent theater. This function is one of those that can be replicated, to some degree, at other sites, if we are allowed access to Allied facilities such as in Japan or Australia. Reconstituting the capability to the extent available at Cubi without access to Allied facilities will take time, will be expensive, and will be hard pressed to meet the port, airfield and aircraft staging areas and repair part access enjoyed at Cubi Point.

SRF's at Yokosuka, Japan and Guam will be required to 'pick up' some of the duties heretofore completed at Subic. Such an option is acceptable to the commander for units reporting to or departing the theater, for instance. For those units west of Subic however, a requirement to report to an SRF now means a minimum of six days transit - and a loss of capability to the operational commander. Some discussion is being conducted at the TYCOM level to forward deploy an additional tender. Such an action would provide tremendous capability to the commander, but there are problems in this area as well. Crew housing (if permanently deployed), parts delivery and porting sites are all concerns that must be addressed.

The loss of industrial support reduces operational readiness, reduces the ability to ensure the readiness of the 'surge' fleet and degrades organic avionics reconstitution capability.

'We must be able to deploy substantial forces and sustain them in ports of the world where prepositioning and forward deployment may not always be possible.' - Richard Cheney, Secretary of Defense⁶

(b) Transportation Control and Management. Having recently been assigned to Naval Supply Depot, (NSD) Subic Bay, it's difficult to admit that this is one of the facilities that can be 'disestablished or relocated'. Most of the repair parts, consumables, provisions and material stored at the Depot can (and will) be moved and issued from either NSD Guam or NSD Yokosuka. However, the loss of capability to manage and control surface transportation at NSD is serious. This degradation is compounded by the loss of air transportation control and management inherent both in the closing of Cubi Point Naval Air Station (NAS), and the loss of Clark AFB.

NSD transportation management and control capability stemmed from its' status as the only DoD activity completely managing the operation of an intermodal container terminal. With access to automated data bases holding both inbound and outbound data, NSD was able to monitor material movement from CONUS to Subic, and onto the delivery site. Equipped with sufficient commercially provided chassis and state of the art intermodal container crane, and organic MHE and tractor assets, NSD brought a unique and efficient means of moving significant material loads over long distances in a rapid manner. This feature enabled NSD to accelerate its deliveries to the Persian Gulf from ten 40' container loads per month to as much as 300 40' container loads per week

during Operation Desert Storm. This acceleration was conducted even while Clark AFB was drawing down, during an October 1990 labor strike, as well as in the face sharply increased inbound loads used to support the build up.

Commercial shipping lines had installed the container capable crane, and had turned over surface gear to the depot under a Bailment Agreement.⁷ However, as a result of the lower levels of cargo being generated in Subic, and the knowledge that the facility will close, American President Lines (APL) will be removing the crane and surface transportation gear by 31 August 1992.⁸ Additionally, both APL and SeaLand Corporation, the container ships serving US facilities in WESTPAC, have served notice to DoD that they intend to 'reflag' their vessels in 1995, and will not be joining the Effective US Controlled Fleet.

The Bailment Agreement package met the needs of both the military and commercial activities, and was unique to Subic Bay. The movement of Household Goods and POVs into and out of the Philippines, and the volume of cargo generated to support both Clark AFB and the Subic Facility, as well as the majority of deployed Seventh Fleet units⁹ provided a profitable venture to the shipping lines. Profits were sufficient to merit the crane installation, which streamlined cargo movement. In having chassis and empty containers available and under Navy control, NSD was able to selectively manage both the stuffing and unstuffing of individual containers, as well as the loading and unloading of vessels unto and off of the ship. It is this unique

volume of cargo from a single site that was key to the decision to place the container facility under Navy management. Such levels of cargo will not be available at either Guam or Yokosuka - and the probability of raising cargo levels for a long enough term to warrant the reinstallation of the crane at one of the two sites is nil.

Equally important was the airlift capability brought to the table by NAS Cubi Point. Capable of operating C-130, C-141, C-5, and Boeing 747 aircraft, NAS Cubi provided an organic delivery asset that could reach virtually all key theater sites. Positioned as it was next to the Supply Depot, the operational commander had air capable access to the Navy's largest overseas inventory of consumables and repair parts. This capability enabled the delivery of literally thousands of critically needed repair parts for both aviation and surface units at long distances from Subic. In closing Subic Bay, aviation repair part inventories will probably transfer to NSD Yokosuka, Japan. Such an effort had started in 1990 as a means of relieving warehouse overcrowding in Subic, and facilitating support for Northern Pacific units. Yokosuka to Singapore is a long haul for a C-141, and may limit the frequency and timeliness of deliveries to units serving in the IO/Persian Gulf theater.

In WESTPAC, a key to operational readiness is ready material that can be moved to where the commander needs it, when he/she needs it. The degradation of this capability will impair the implementation/maintenance of the strategy in important ways.

(c) Fueling the Fleet. Appropriate to the size of the area concerned, fueling capability in WESTPAC is tremendous.

It is reasonably safe to say that at any given time, a ship operating in the Indian Ocean, Persian Gulf or North Arabian Sea is operating on fuel received either directly from Subic Bay, or from AO/AOE/AOR/TAOs that 'filled' at Subic Bay. Further, the aircraft flying CAP or performing an ASW mission is operating on aviation fuel received from Subic Bay. This is not to discount the larger fuel operation of Yokosuka, but to point out that Subic's theater location was of premier importance.

Smaller units, such as FFG's, will use a considerable portion of their fuel capacity in transit from Guam to Subic. These units would fuel from either AO/AOE/AOR units accompanying the notional CVBG, or would fuel from much larger ships in the group while transiting to the deployment site.

With the loss of Subic Bay, the operational commander requires a new, close at hand, fueling capacity. Letting the smaller unit go without fueling until reaching Singapore risks stability problems in the unpredictable waters of the South China Sea. Further, the commander receives a unit that is not combat ready until it is fueled. While fueling at Sea (FAS) is practiced frequently, it remains a time consuming and inherently dangerous evolution. Additionally, more frequent FAS will require the delivery vessel to return to port more often, thus reducing his availability to the operational commander. When

oiler 'resupply' is required, the commander must send the vessel to a commercial port, where it may be subject to higher prices, or return the unit to Yokosuka or Guam. Sending the MLSF unit there will take it out of theater center for an additional six transit days.

Equally critical is the need to find a source for aviation fuel. A WESTPAC CVN requires aviation refueling every 3-5 days when operating at a 'normal' pace; obviously this requirement would be increased during combat flight operations. The need to have aviation fuel available, in the Battle Group, requires the assignment of an AO/AOE/AOR/TAO. Usually, this MLSF platform is itself 'refilled' from another MLSF platform, acting as a 'shuttle' between the port fuel facility and the moving battle group. With the loss of Subic Bay, that shuttle ship now has to spend an additional 6 - 8 days in transit. Longer at sea times and increased wear on our limited MLSF platforms is likely. In times of conflict, such a vessel may require escort, resulting in a degradation to the commander's combat capability.

These three issues strike to the heart of operational readiness in WESTPAC, and give an indication of how logistic shortfalls will impair the commander's ability to provide capable presence, rapid response and theater reconstitution.

(d) Competition with the Private Sector. This overall reduction in capability has afforded the commander an opportunity to experience a factor the logistic system has largely been able to shelter him from: that of competition with the private sector.

The Pacific Basin is the fastest growing market in the world. Developing nations, imbued with a rising spirit of nationalism, are eager to open their economic borders to trading partners around the world. Separated from Western markets, these nations depend on low cost ocean movement of goods and material.

Countries seeking to develop tourism and other such 'soft' markets are expanding into port and air terminal areas at a rapid rate. Port and air facilities are expensive, and require significant time to construct. Developing nations are not eager to commit substantial portions of their treasure in expanding facilities without some guarantee that such efforts will be profitable. In days of domestic economic turmoil and reduced budgets, the commander can't make that guarantee.

In Guam, there is a local initiative to convert most of Andersen AFB to a commercial airport. In Singapore, berth space is expensive, over crowded and subject to loss should an arriving vessel be late. With a declining market share' (reduced forward presence) and with a limited history of regular demand, the commander is at a distinct disadvantage.

(e) Uncertain and Unstable Governments.

'It is frightening to conceive of an Asia without a US military presence for the next 20 years...Japan will be forced to rearm, and China, as well as Korea, will oppose them.' - Singapore Minister of Information and Arts, BGEN George Yeo¹⁰

'Singapore's ASEAN neighbors, Malaysia and Indonesia still are not entirely comfortable with tiny Singapore's new role as host to US forces...Jakarta and Kuala Lumpur are nervous about a shift in the balance of power toward Singapore...'¹¹

The problem of operating in a politically unstable area is not new to WESTPAC. What is new is our dependence on these nations in order to implement the new strategy. While 'stable' is not a term often used in connection with Philippine government, until the late 1980's there was a sense that the US could always 'do business' with Manila. At least as far as military access and operations were concerned, the Philippines were relatively stable. As can be seen from the quotes, Singapore's foresight in agreeing to host an American presence is not well accepted by all her neighbors; and not entirely without justification. Singapore Air Force access to F-15 and F-16 aircraft¹² for training purposes does increase the capability of that service, an increase magnified by the relative lack of strength of local neighbors. There are area concerns that the new agreement 'will go well beyond' the maintenance agreement signed between the US and Singapore just a year ago. President Bush felt compelled to address this 'spirit of unease in the region' when addressing the Australian Parliament during his recent Pacific visit.¹³

The operational requirement to be able to respond to two concurrent, but staggered contingencies enhances the opportunity to offend at least one of the WESTPAC nations on which we depend. Any nation so offended may preclude our ability to use material prepositioned on that nation's territory, and planned for a particular operational scenario. With limited air and sea lift assets in theater, such an event would limit much of the

commander's ability to respond to a crisis situation. Further, the ability to reconstitute a theater force would be gone.

As these points have illustrated, logistics will play a major role in implementing the new military strategy. Indeed, if logistics is the creation and sustainment of combat forces and weapons, as Eccles wrote, then logistics may very well be the defining factor in implementing this strategy in WESTPAC.

CHAPTER III

Four Themes for Meeting the Need

'Don't buy Palawan.'¹⁴

Even approval and funding of the 1984 proposal to buy an island in the Southern Philippines for use as a US base to replace both Clark and Subic would not solve the logistic problems associated with implementing the new strategy. One 1989 study conducted for the Navy concluded that building a 'Subic Bay' and a 'Clark AFB' somewhere else would cost a minimum of \$3 Billion.¹⁵ Needless to say, no one in the military would seriously propose such a procurement today and no one in Congress would seriously consider it.

As our strategy moves from global confrontation to a more regional focus, we must be careful to avoid permanently committing resources to meeting unclear and transitory threats. Secretary Cheney referred to the post Cold War world as having a 'dominant characteristic...of uncertainty.'¹⁶ Our approach to meeting the logistic needs of the operational commander must account for that uncertainty. Despite the system reliability, dependability and economy inherent in a 'fixed-base' operation, we must minimize the investment in permanent basing, seeking instead to use available facilities and capabilities. We must maximize the sharing of defense costs with host nations and allies. Where possible, we must seek to create new capabilities with a minimum of defense dollar investments; however these

capabilities must be tied to the military market to improve reliability and dependability. Finally, we must use the assets we have in better ways.

I believe the four themes described below are a first step in that direction. Each contributes in some way to replacing the logistic capabilities lost at Subic Bay, and facilitates strategy implementation and maintenance by the operational commander. Further, each seeks in some way to maintain either a physical or economic presence, thus contributing to the strategy foundations of 'nation building' and 'peaceful engagement'.

(a) Refine and Replicate, Don't Duplicate. The RAND study suggested that the Navy should seek to move operations conducted at Subic Bay and Clark to other sites in the theater that already had similar missions. In today's environment, this is the only acceptable option. A sense of that sentiment is noted in ADM Larson's quote at the beginning of Chapter II. By carefully reviewing in-theater capacity across the board, the commander can identify those activities which most contribute to the specific mission foundations of crisis response and reconstitution, and remove those activities that require logistic support without providing mission payback.

Supporting this review process should be a key task of the WESTPAC logistician. A detailed understanding of market capability and capacity is necessary to properly advise the operational commander of what the logistics system can and cannot support. Further, the logistician must have an understanding of what

potential capability and capacity is available. The Naval Regional Contracting Center, Singapore must play a large role in properly identifying these elements. This identification process however, must be led and channeled by the operational logistician.

Part of our airlift requirement problem may be solved by relocating our Clark/Subic Bay airlift and maintenance capabilities at Australian sites. Access to Darwin and Western Australia (Perth) Air Force Bases would provide indirect C-141 airlift capability to Diego Garcia from as far away as Yokosuka Japan. A regular flight channel could include Yokosuka, Guam, Darwin, Western Australia and Diego Garcia. Such an action would reduce the maintenance impact of losing Cubi, and would provide access to Australia's commercial aviation repair industry as well.

(b) Commercialization. Commercialization can be defined as an effort to maximize local and host nation capability so as to relieve tension on one or more portions of the organic logistic system. Further, commercialization can be seen as an effort to initiate new capability in local and host nations so as to relieve pressure on the organic system.

Using defense dollars in this role has been a practice of the United States Navy for years. The 'Buy Philippines' program invested \$35 Million in the Philippine economy in Fiscal Year 1991 alone. Intended as a form of nation building, the program sought to increase local manufacturing and services capabilities. Such an effort should be continued as we move to implement the

new strategy. The newest version of this effort should be specifically directed at developing capability in those areas for which the operational commander has a need, and the logistician has found organic system weaknesses.

As an example, developing host and local nation capabilities to produce, store and deliver large bulk, low technology material, under a 'never out' contract requirement would relieve pressure in warehousing. Further, limited surface transportation funds would not be spent moving material from CONUS that may literally be available 'down the street'. Paper products, rags, packaged POL and soda take up considerable space in warehouses and transportation pipelines, but are available in several WESTPAC nations. The key is not that soda and copying paper are necessary to a combat effort, but that the facilities used to store that material can be better utilized for sonobuoys or damage control gear.

Further increasing demand in an area already utilizing maximum capacity would only exacerbate the competition problem. Therefore, a central goal of any such 'Buy Local' program should be to initiate capability, or expand existent capability. In either an initiation or expansion program, Navy 'market demand' grows relative to competing demand sources. The results of this initiation may, admittedly, be higher product unit costs. It would be interesting to study whether reduced transportation stress, reduced warehousing costs and a reduction in 'opportunity costs' (in storing critical items rather than rags, soda and

paper) covers the increased costs of product.

Other examples of commercialization include turning material receipt, segregation and delivery responsibilities over to a commercial firm such as the shipping line, and placing packaging and preservation responsibilities in the commercial field.

(c) Industrialization. Industrialization, like commercialization, seeks to increase local capability, but does so specifically within the area of industrial support.

During the past several years, NSD Subic Bay initiated and managed the WESTPAC Aviation Component Repair Program. The goal of this program was to increase WESTPAC theater capability to repair critical aviation components. Companies interested in performing such work had to meet all the performance capability requirements a US firm would have to meet. Performance evaluations were conducted by Aviation Supply Office (ASO) in Philadelphia. Site inspections were conducted by local AIMD personnel. By 1991, firms from Korea, Japan, Australia, Singapore and the Philippines were all actively engaged in repairing components, within theater, and returning the components to NSD. Transportation requirements were reduced, components were being returned to the system faster and at competitive rates, and new sources of capability were being developed.

NRCC Singapore would be tasked to manage this program, and should seek to develop local offices in several WESTPAC nations. An interesting aspect of this program is that certification for a particular component, and possibly family of components, would be

a one-time cost to the U.S. government. Further, site inspections could document all of a potential contractors capability at an initial visit, minimizing the costs in that area. These are tested firms, in many cases, flying aircraft identical to our own. Not expanding in this area, within normal inspection and certification procedures may be wasting a valuable asset.

Similar programs can work at the surface component and equipment repair level. Contracts offered for the repair or overhaul of a guaranteed minimum number of a specific type of equipment would increase demand power in a competitive market. By expanding the range of equipments accessible for repair and overhaul, it may be possible to increase capacity as well. Using the multi-nation approach found on the aviation side could contribute to solving, or at least reducing, the 'threats' to the local balance of power perceived to have been changed by our limited presence in Singapore. By tying part of our maintenance funding into as many areas as possible, we not only expand market capacity, but make an eruption of the status quo an economic cost to the nation concerned.

(d) Better Use of Current Assets. Logistic systems are perhaps more susceptible to inefficiency than any other management operation. The breadth of responsibilities, the haziness of the definition of logistics and the vulnerability to fluctuating input all tend to degrade logistic discipline. Historically, logistic support has been described in such terms as 'more is better' and 'too much is not enough'. Such a philosophy is not

acceptable in the reduced resource environment of the 1990's.

The first thing then that the logistician must bring to the fray is a commitment to logistic discipline, and an ability and willingness to enforce it throughout the force. Unit commanders must be held responsible for requisitions citing air delivery of low priority material, or the Navy Air Clearance Authority must be entrusted to make the decision about rerouting the material. Unit Supply Officers must be held responsible for failures to reorder, or for excessive reorders. Eccles¹⁷ described logistic discipline as 'the application of the principles of military discipline to the logistics aspects of war'. It must become the responsibility of the force logistics officer to manage both ends of the supply system, from stock point to user, and back again.

Improving use of assets also extends to the movement of material through other surface channels.

NSD Subic Bay has, for several years, been responsible for supporting a host of DoD facilities on Diego Garcia. The monthly 'shuttle ship' from NSD Subic Bay to Diego Garcia is an MSC charter vessel with a 15,000 Measurement Ton (MT) lift capability, the SS CLEVELAND. The ship transit was routinely Subic Bay - Diego Garcia - Singapore (for bunkering) - Subic Bay, etc. Assuming Guam picks up this mission as was recommended, they will replace Subic (and add six days to the transit).

Despite its' significant capability, average lift being delivered to Diego Garcia rarely exceeds 7,000 MT. In more than a year as Freight Terminal Officer, we never exceeded 8,800 MT,

including the period when Diego Garcia was supporting the build up of forces for Desert Shield/Storm. Allowing a 20% increase in average load to 'cover' the additional six days per cycle still increases a nominal load to no more than 8,400 MT. Rather than reduce the size of the vessel however, we should request a long term charter. The excess lift capacity could then be employed as 'a floating warehouse' for Prepositioned War Reserve Material. Such a program could be extended to the AFS/T-AFS is some of the bulk material currently carried on board can be placed in a multitude of theater contractor locations, with facilitated access. Carried on the records of one of the two remaining depots, this material would require Commander authorization prior to release, and would thus be 'protected' from issue.

The staff logistician must make an active, concerted effort to identify such actions and procedures that are not being used to maximum effect, and take steps to correct the inefficiency.

CHAPTER 1V

Conclusions

The further the force moves toward combat, or should a second contingency erupt concurrently, WESTPAC logistics may be hard pressed to meet all the operational commander's needs in a timely manner. A dual contingency scenario would be particularly stressing if one event was in Korea and the other in the Persian Gulf. While the Gulf is not in WESTPAC's theater, WESTPAC would be part of the supporting effort, as it was during Desert Storm. Among those requirements most susceptible to failure in the event of combat, and requiring action from above the operational level to correct are the following:

(1) provide refueling capacity closer to the theater than that provided by Japan or Guam, and without depending on commercial sources. Suggestions include developing an agreement with the Philippine government to manage and maintain the Fuel Farm at Subic Bay under a joint Philippine-US commercial relationship. The harbor provides excellent refuge for commercial vessels, is large enough to service all vessels, and would eliminate the fueling problem in the event of contingency. Incentives for US firms could include a "guaranteed" market, maintenance support funding and an opportunity to enter the fast growing Pacific Basin market.

Prepositioning of a Very Large Crude Carrier (VLCC), or shuttling fuel resupply from Yokosuka and Guam, or even CONUS,

are potential resolutions of this problem as well. Procuring and prepositioning a VLCC is a Force Planning issue far beyond the level of the operational logistician. Shuttling resupply from Guam or Yokosuka is an acceptable option, well within the an operational level of authority, but is not without cost to crews and equipment.

(2) Industrial capacity could be increased by developing similar government to government commercial arrangements with area nations such as Thailand, Malaysia and Singapore. Incentives could include the use of Government owned dry dock facilities (moved from Subic), access to government testing facilities, and access to DoD supply inventories, probably through Yokosuka or Guam. Incentives to foreign governments could include limited technology transfer.

An arrangement similar to that proposed for fueling could be developed for managing the Ship Repair Facility at Subic. An ideal candidate would be US commercial shipyards seeking to reduce operating and labor costs. Incentives could include use of government equipment, access to supply, and labor force training in government systems. With an experienced work force already in the area, start up costs would be reduced. Further, US agreements to help in the clean up of SRF after the MT Pinatubo eruption might incentivize the Philippine government to agree to this effort.

(3) Additional sea lift capability across the spectrum of RO/RO, container, and break bulk vessels will be required to

support a future 'Desert Storm' in WESTPAC. While the lack of this essential capability has been discussed in a myriad of papers, articles and studies, particularly over the last several months, little has been done so far. The upcoming publication of a Congressional Mobility Study should define lift requirements. If the WESTPAC operational commander is to meet the transportation requirements laid down by this 'crisis response' element, he will need more effective logistics tools.

(4) The requirement for operational commanders and logistics officers to mutually develop operating plans has never been greater. The time required to develop a logistic system is long, and the process is inherently expensive.

'As resources become more constrained, success in military endeavors will require the efficient use of scarce resources by operational commanders. Understanding logistical art will be as much a key to success as will sound operational planning.'¹⁸

Unless WESTPAC logistics receives some assistance from above the operational level, the operational commander may find his 'kit bag' of capability very empty at the time it is most needed.

Despite substantial change in procedures and some loss in flexibility, WESTPAC's logistic system is capable of supporting the day to day requirements of the operational commander. The operational logistician has many of the required tools. New capabilities are available, within the scope of the new strategy, if the State Department and DoD choose to act in concert with local WESTPAC nations. The logistician will require imagination and creativity. The role has never been more challenging or important.

1. National Military Strategy for the 1990's, (Draft), 10 August, 1991, Pg 6. Distributed as part of the Curriculum for the Operations Course of the College of Naval Command and Staff
2. IBID, Pg 10
3. IBID, Pg 12
4. From a Required Reading for the Elective Course in Logistics Management. The specific citation can be found in Eccles, Henry E., Military Concepts and Philosophy, Chapter VI, 'Concepts of Logistics' Pg 69, 1965, Rutgers, The State University, N.J.
5. 'US Exit From Manila: Making of a Hasty Retreat', NEW YORK TIMES, Pg 12, 5 January 1992. The cited quote is from a telephone interview between the author of the article, and Admiral Charles LARSON, USCINCPAC
6. 'US Defense Strategy for an Era of Uncertainty', INTERNATIONAL DEFENSE REVIEW, DEFENSE '92, Cheney, Richard, US Secretary of Defense, Pg 7
7. Author's Note: The Bailment Agreement was an instrument signed by the Freight Terminal Officer which turned over tractors, trailers and MHE to the Navy, in exchange for the Navy accepting responsibility for maintenance, and responsibility for delivering and receiving loads from Clark Air Force Base.
8. Information provided by Carl Sieberlich, RADM, USN (Ret) Vice President for Operations, American President Lines in a presentation to the Merchant Marine Elective Course, Naval War College, Naval Command and Staff, 22 January 1992.
9. Author's Note: NSD Subic served as the primary POE - Point of Entry - for Seventh Fleet requisitions. Until 1990, NSD was virtually the only POE for aviation requirements, and was the POE for consumables and most provisions. Typically, the number of documents submitted to Subic during a month would exceed the combined total of both Yokosuka and Guam
10. New York Times, 'Wire News Highlights' 17 January 1992, Pg 16
11. 'Nervous Neighbors' , AEROSPACE DAILY, 20 Jan 1992, Pg 94
12. Loeb, Vernon, 'Singapore Offering a Warmer Welcome to U.S. Fleet', Philadelphia Inquirer, 12 Jan 1992, Pg C3
13. Jehl, Douglas, 'Bush Reassures Pacific Allies on Security', Philadelphia Inquirer, 2 Jan 1992, Pg C-3
14. Coniloque, C.L., New Bases for Old, Pg 17, Naval Postgraduate School, Monterey Ca, 1984

15. D.P. Henry, K. Crane, K.W. Webb, The Philippine Bases: Background for Negotiations, Executive Summary, Pg 6, RAND Corporation, Santa Monica CA, 1989

16. 'US Defense Strategy for an Era of Uncertainty, INTERNATIONAL DEFENSE REVIEW, DEFENSE '92, Cheney, Richard, US Secretary of Defense, PG 7

17. Eccles, Henry, LOGISTICS IN THE NATIONAL DEFENSE, Chapter 12, Pg 187, Stackpole, Harrisburg, Pa.

18. Speck, Daniel J, OPERATIONAL LEVEL COMMAND AND LOGISTICAL ART, April 1991, A required reading for the Logistics Management Elective Course, Naval War College, Newport RI

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